

STEER INCORPORATED
(ABN 99 004 552 809)

Identification Statement pursuant to
ASIC Corporations (Charitable investment Fundraising) Instrument 2016/813.

Identity of Charitable Investment Fundraiser

This statement has been prepared by Steer Incorporated (ABN 99 004 552 809), a public company limited by guarantee ("**Steer**").

Steer was incorporated on 18/7/1962 *under the Companies Act 1961 (Vic)* as a public company limited by guarantee. Steer was registered as a charity with the Australian Charities and Not-for-Profits Commission (**ACNC**) on 3 December 2012.

Steer's registered office is at 5 Court Street, Box Hill, Victoria, 3128.

Steer was established over 50 years ago with charitable objects including:

- ***"To seek to spread the gospel of our Lord Jesus Christ throughout the world and among all people, nations and races."***

Steer's charitable objects are primarily achieved by raising funds in Australia and making grants and donations to assist in supporting Christian missionary and outreach work in Australia and overseas.

Issue of Debentures

Steer generates funding for third party organisations conducting missionary and outreach work (described above) by borrowing funds on an interest free basis from its financial supporters, also known as '*Ministry partners*', ("**Supporters**") and investing these loan funds with major banks in Australia or in select first mortgage secured loans solely in Australia to generate interest income. The interest income which is earned by Steer is then distributed to Christian missions and outreach organisations in Australia and overseas.

The undertakings that Steer gives to its Supporters to repay as a debt the money lent to it under the interest free loans arrangement (**IFL**) constitutes the issuing of financial products known as debentures by Steer which is regulated by the *Corporations Act 2001 (Cth)* (**Act**). Steer advises all lenders that loans made to Steer by means of interest free loans are not secured by Steer assets.

Exemption from legal requirements

The offering and issue of IFLs is not subject to the all of the usual protections for investors under the Act or regulation by ASIC.

Since March 2003, Steer has relied on ASIC Class Order [CO 02/184] for relief from certain provisions of the Act in connection with the offer and issue of the IFLs.

Steer now relies on the relief available under ASIC Class Order [CO 02/184] as continued in force by paragraph 8 of ASIC Instrument 2016/813 in connection with the offering and issue of the IFLs: these instruments provide exemption to Steer from the following sections of the Act:

- (a) Parts 2L.1, 2L.2, 2L.3, 2L.4 and 2L.5;
- (b) Parts 6D.2 and 6D.3
- (c) Section 992A; and
- (d) Sections 1017B and 1017G.

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Further Steer, by relying on these ASIC instruments, does not also have to comply with subsection 911A(1) of the Act for the provision of certain financial services related to the IFLs. Steer does not hold an Australian financial services licence.

In lodging this Identification Statement with ASIC, Steer is seeking to relying on the transitional relief available under paragraph 8 (Part 3 – Transitional) of ASIC Instrument 2016/813 until 31 December 2017. In order to qualify for the exemptions from the Act identified above, Steer is required to comply with the conditions set out in ASIC Class Order [CO 02/184] as modified by paragraph 8 of ASIC Instrument 2016/813. Steer will meet these conditions by ensuring:

1. The IFL documentation (which includes the Interest Free Loan Information and Loan Deposit Application leaflet and a Loan Agreement) provided to Supporters before they enter into the IFL meet the informational requirements specified in ASIC Class Order [CO 02/184] namely information:
 - a. about the identity of Steer and the terms and conditions of the IFLs;
 - b. that no person will receive a material benefit in connection with the promotion or administration of the IFLs; and
 - c. that Supporters should be aware that normal requirements to have a disclosure document and a trust deed under the Act are not required, that the charitable scheme is not examined or approved by ASIC, and that the IFLs are only designed for investors who wish to promote the charitable purposes of Steer and for whom considerations of profit are not of primary relevant in their investment decision. , ;
2. That it has processes in place to oversee the accuracy of the documentation provided to Supporters and to ASIC in connection with the IFLs so that Steer is in a position to lodge with ASIC any further statements required to rectify any statements or omissions made in this Identification Statement, if required;
3. That within 6 months after the end of its financial year, Steer gives its audited financial statements and auditor's report to the ACNC, consistent with Steer's obligations as a registered charity.

Key terms of the Interest Free Loans Arrangement

The debentures issued by Steer under the IFL arrangement have the following key terms:

- Steer accepts IFLs from Supporters with a minimum loan of \$1000 (\$500 for those under 18 or full-time students);
- Supporters may increase the amount of funds lent by them to Steer under the IFL at any time, subject to a minimum increase of \$500;
- Steer does not pay any interest or fees to the Supporter of the IFL – the rate of return is nil;
- There are no fees payable by Supporters;
- The repayment of the IFLs to Supporters is a contractual obligation of Steer.
- The repayment obligation of Steer to Supporters is unsecured and no person other than Steer provides any additional guarantee for the benefit of a Supporter in connection with the repayment of an IFL by Steer;
- From 1 January 2017, for each new loan that is issued, a Supporter must give at least 31 days' notice to Steer to require repayment of their IFL.

For IFLs of \$5000 or more, income generated by Steer on the IFL is distributed to missions six monthly. For IFLs of less than \$5,000, income generated by Steer is distributed annually.

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Supporters are invited to state their preference as to how income earned on the loan funds is to be directed. However, Supporters do not have any rights to the income or other benefits that may be generated by Steer from its use of the loan funds. The ultimate discretion regarding the application of income earned on the IFLs is retained by Steer at all times.

Information about Supporters

The IFLs are available to any Australian resident who is aligned with the charitable purposes of Steer, namely, supporting Christian mission and outreach through the provision of financial resources. The IFLs are only intended to attract Supporters whose primary purpose for making their investment is to support the charitable purposes of Steer.

The IFLs may be entered into by:

- (1) People as retail, non-associated clients;
- (2) People as retail, associated clients (but, not by those who are voluntary staff members); and
- (3) People who are not retail clients and are not associates of Steer.

Financial Statements

Steer is registered as a charity with the ACNC. Its financial year end is 30 April each year.

Steer is required to lodge audited financial statements with the ACNC and meets this requirement within 6 months of the end of its financial year. Its most recent audited financial statements may be found on the ACNC website.

No AFSL

Steer does not hold an Australian Financial Services licence.

Identification Statement

This identification Statement has been lodged with the Australian Securities and Investments Commission (ASIC). Neither Steer, nor the terms of the IFLs, nor this statement nor any related material provided to Supporters in connection with the IFLs has been approved by ASIC.

A copy of this Identification Statement is available on the company website at www.steer.org.au. In the event that this Identification Statement is updated and lodged with ASIC the new Identification Statement will also be posted to the company's website.

Steer consents to allow any person to examine this application for transitional relief under ASIC Instrument 2016/813 upon request to ASIC.

Signed: 

Position: *CEO & COMPANY SECRETARY*

Date: 28 February 2017